

REMARKS

Claims 1-33 are pending in the present application. Claim 1 has been amended. No new matter has been added.

Claims 1-27 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 1 and 28 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. Claims 1-9, 13-18, 23-33 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,332,134 to Foster ("Foster") in view of U.S. Patent Publication No. 2002/0016769 to Barbara et al. ("Barbara"). Claims 10-12 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Foster in view of Barbara, and further in view of "Creating a Payment System Network: The Tie That Binds or an Honorable Peace?," David A. Balto ("Balto"). Claims 19-22 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Foster in view of Barbara, and further in view of "Behind the Spree in Payments for C2C," Cathy Bowen ("Bowen").

Rejection of Claims 1-27 under 35 U.S.C. § 112

Claims 1-27 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. More specifically, the Examiner asserts that there is insufficient antecedent basis for "credit account" in line 8 of claim 1. Accordingly, claim 1 has been amended to recite "existing checking account," which finds antecedent support in line 4 of claim 1. Therefore, it is respectfully requested that this rejection be withdrawn.

Rejection of Claims 1 and 28 under 35 U.S.C. § 101

Claims 1 and 28 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. Accordingly, claim 1 has been amended. Claim 28 is already directed to a system, which is a statutory class. Therefore, it is respectfully requested that this rejection be withdrawn.

Rejection of Claims 1-9, 13-18, 23-33 under 35 U.S.C. § 103(a)

Claims 1-9, 13-18, 23-33 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Foster in view of Barbara. The rejection is respectfully traversed and reconsideration is requested.

Foster and Barbara fail to teach or suggest “and if the first party does not have an account with the third party, by establishing an account for use in at least the electronic transaction,” as recited in pending claims 1 and 28. On page 10 of the Final Office Action, the Examiner maintains this rejection because Foster recites “The cardholder establishes an account with the card company to obtain credit which may be use [sic] to make financial transactions, such as when purchasing goods or paying invoices.” Col. 5, lines 5-12. So Foster allows a cardholder to establishes a new account before a transaction. However, Foster does not establish a cardholder account after receiving payment “instructions directed at satisfying an obligation to the second party by the first party,” as recited in claim 1. Claims 1 and 28 recite that the first party has an obligation to a second party, instructions for payment are transmitted, and *then* the first party can establish an account for that payment if the first party does not already have an account. Foster does not teach that the new account can be established with the third party *after* “receiving payment instructions electronically from the first party by a third party.”

Consequently, the claimed combinations recited in independent claims 1 and 28 are not taught or suggested by Foster and Barbara, separately or in combination with one another. Because the cited references, either alone or in combination, do not teach or even suggest the limitations of independent claims 1 and 28, the examiner has failed to establish the required *prima facie* case of unpatentability. Similarly, the examiner has failed to establish a *prima facie* case of unpatentability for claims 2-9, 13-18, and 23-27 depending on claim 1 and claims 29-33 depending on claim 28 and which recite further specific elements that have no reasonable correspondence to the references. Accordingly, the undersigned representative respectfully requests that the examiner withdraw the rejection of claims 1-9, 13-18, and 23-33.

Rejection of Claims 10-12 under 35 U.S.C. § 103(a)

Claims 10-12 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Foster in view of Barbara as applied to claim 9 above, and further in view of Balto. The rejection is respectfully traversed and reconsideration is requested. As noted above, Foster and Barbara fail

to teach or suggest the required combinations of independent claim 1 on which claims 10-12 depend. The proposed modification of Foster in view of Balto, which recites collusion issues in connection with VISA interchange fees, lacks one or more limitations recited in independent claim 1, and there is inadequate articulated reasoning with rational underpinning to support the Examiner's legal conclusion of obviousness.

Consequently, the claimed combinations recited in independent claim 1 are not taught or suggested by Foster, Barbara, and Balto, either separately or in combination with one another. Because the cited references, either alone or in combination, do not teach the limitations of independent claim 1, the examiner has failed to establish the required *prima facie* case of unpatentability. Similarly, the examiner has failed to establish a *prima facie* case of unpatentability for claims 10-12 depending on claim 1 and which recite further specific elements that have no reasonable correspondence to the references. Accordingly, the undersigned representative respectfully requests that the examiner withdraw the rejection of claims 10-12.

Rejection of Claims 19-22 under 35 U.S.C. § 103(a)

Claims 19-22 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Foster in view of Barbara as applied to claim 1 above, and further in view of Bowen. The rejection is respectfully traversed and reconsideration is requested. As noted above, Foster and Barbara, alone or in combination, fail to teach or even suggest the required combinations of independent claim 1 on which claims 19-22 depend. The proposed modification of Foster in view of Bowen, which discusses insurance and escrows, lacks one or more limitations recited in independent claim 1, and there is inadequate articulated reasoning with rational underpinning to support the examiner's legal conclusion of obviousness.

Consequently, the claimed combinations recited in independent claim 1 on which claims 19-22 depend are not taught or suggested by Foster, Barbara, and Bowen, either alone or in combination with one another. Because the cited references, either alone or in combination, do not teach the limitations of independent claim 1, the examiner has failed to establish the required *prima facie* case of unpatentability. Similarly, the examiner has failed to establish a *prima facie* case of unpatentability for claims 19-22 depending on claim 1 and which recite further specific elements that have no reasonable correspondence to the references. Accordingly, the

undersigned representative respectfully requests that the Examiner withdraw the rejection of claims 19-22.

CONCLUSION

The undersigned representative respectfully submits that this application is in condition for allowance, and such disposition is earnestly solicited. If the Examiner believes that the prosecution might be advanced by discussing the application with the undersigned representative, in person or over the telephone, we welcome the opportunity to do so. In addition, if any additional fees are required in connection with the filing of this response, the Commissioner is hereby authorized to charge the same to Deposit Account 50-4402.

Respectfully submitted,

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